

# CITY OF JERSEY CITY

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## **FOR IMMEDIATE RELEASE**

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## ***Mayor Healy Wins Critical Court Battle to Provide Affordable Housing for Artists Appellate Division Upholds Housing for 7 Units of Affordable Artist Housing in Powerhouse Arts District***

JERSEY CITY — Mayor Jerramiah T. Healy, the Municipal Council and the City Corporation Counsel announced this week that the New Jersey Appellate Division had upheld a trial court determination that will make way for seven artists to live and work in the 11-story luxury residence known as **311 Washington Street**.

A part of the **Powerhouse Arts District**, the seven units are designated as “affordable” under guidelines established by the **U.S. Department of Housing and Urban Development** and are designed with high ceilings, work sinks and other artist-related amenities. Additional artist work/live units are spaced throughout the Powerhouse Arts District, which is located near Exchange Place.

“This decision is a victory for the city and its artists,” said **Mayor Healy**. “Not only is it a top priority of my administration to promote the development of affordable housing, but it is also critical that we foster opportunities for artists to live, work and prosper in Jersey City.”

In the decision just announced in *Washington Commons, LLC v. City of Jersey City, Mayor, Council, Council President and Zoning Board of Adjustment of Jersey City*, Docket No. A-6560-06T2, the builder challenged its obligation to set aside seven out of 68 units as artist “work/live” units and convey them to the City for \$1.00 each, suing the Mayor, Council, Council President and Zoning Board on several counts, including constitutional claims. The builder also demanded payment for the cost of the units, which the builder claimed were valued at more than \$400,000 each.

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However, as the trial court and then the Appellate Division emphasized, when, in 2004, the Board of Adjustment approved the developer's site plan, it granted major site plan approval and several variances in the construction of the desirable new residence partially because the artists affordable units were considered by the Board of Adjustment to be "inherently beneficial" to the community and promised to be conveyed for \$1.00 each.

The builder filed suit, claiming among other matters, that it did not understand and would never have agreed to transfer such expensive units for \$1.00. The trial court, with the appellate court thereafter in agreement, found the complaint had been filed too late. The courts agreed that there was no support for any constitutional claim. Lastly, the appellate court explicitly stated that the builder should have returned to the Board of Adjustment for clarification of any issues it did not understand.

**All media inquiries should be directed to Jennifer Morrill, Press Secretary to Mayor Jerramiah T. Healy at 201-547-4836 or 201-376-0699.///**